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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF

THE SECURITIES EXCHANGE ACT OF 1934

For the month of January, 2002.

CP SHIPS LIMITED

(Translation of Registrant's Name Into English)

62-65 Trafalgar Square, London WC2N 5DY, United Kingdom

(Address of Principal Executive Offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F ☒

Form 40-F ☐

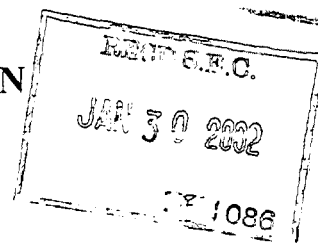
(Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes ☐ No ☒

(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-_____)

This report furnished on Form 6-K shall be incorporated by reference into each of the Registration Statements under the Securities Act of 1933 of the registrant:

Form S-8 No. 333-13954



1-15228

PROCESSED

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THOMSON
FINANCIAL

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CP SHIPS LIMITED

(Registrant)

Date: January 28, 2002

By: /s/ Ian J. Webber

Name: Ian J. Webber

Title: Chief Financial Officer

Exhibits Index

The following is a list of Exhibits included as part of this Report on Form 6-K.

<u>Description of Exhibit</u>	<u>Page</u>
10.16 Press Release of CP Ships Limited "CP Ships Meets Earnings Expectations", dated January 25, 2002	4

CP SHIPS

REGIONAL FOCUS • GLOBAL SCALE

CP SHIPS MEETS EARNINGS EXPECTATIONS

LONDON, UK (25th January 2002) — CP Ships Limited today announced unaudited fourth quarter 2001 operating income of US \$35 million before exceptional charges, in line with the previous quarter's \$34 million but down from the record \$47 million in the fourth quarter 2000. Basic earnings per share were 31 cents and, before goodwill and exceptional charges, were 36 cents. Volume at 468,000 teu was flat compared with both the third quarter 2001 and fourth quarter 2000. However, average freight rates were 6% lower than fourth quarter 2000 and 4% down from the third quarter 2001. Cash from operations before exceptional charges was \$44 million in the quarter or 55 cents per share. Net income available to common shareholders for the fourth quarter 2001 was \$25 million compared to \$40 million in the same period in 2000.

For 2001 as a whole container carryings at 1.84 million teu were slightly higher than 2000, while the average freight rate was up 1%. Operating income for the year was \$139 million before exceptional charges compared with \$164 million in 2000. Basic earnings per share were 92 cents and before goodwill and exceptional charges were \$1.57. Cash from operations before exceptional charges was \$188 million or \$2.36 per share compared with \$174 million or \$2.19 per share in 2000. Return on capital employed for the year was 13.1% compared to 21.1% for 2000, well above CP Ships' cost of capital. Net income available to common shareholders for 2001 was \$73 million compared to \$133 million in 2000.

During 2001 CP Ships achieved annualised cost savings of more than \$120 million by replacing chartered ships with owned ships and through charter renewals, organisational changes and other operating efficiencies. These savings were offset by increased costs from new services based on slot charters. The ship fleet was reduced from 84 on 30th September to 78 on 31st December in response to market conditions.

Given increasingly difficult market conditions and compared with expected industry returns, performance in 2001 was strong. Global containership capacity increased by 12% while container trade growth slowed significantly mainly due to the economic recession in the US and slow growth in Europe. Trade conditions continue to deteriorate with low economic growth forecast through at least the first half of the year. CP Ships believes that the downturn will be accentuated by continuing incremental excess capacity from further significant ship deliveries expected throughout 2002 and into 2003. Therefore the seasonally weak first quarter will be poor, and may show a modest loss.

strong market position we will be profitable for the rest of the year, although at a lower level than in 2001. Furthermore we are confident that we will continue to outperform the industry.

TransAtlantic Market

Operating income increased by \$4 million to \$29 million in the fourth quarter compared with the same period in 2000. One-off cost reductions benefited the quarter and offset a 7% fall in volume and reduced freight rates compared to same period in 2000. Volume was up 3% from the third quarter due to seasonally stronger exports from North America, but freight rates fell 3%.

Operating income declined by \$10 million to \$79 million in 2001. Average freight rates were 3% higher overall than in 2000 but volume was 9% lower due to slower economic growth in North America and Europe, and increased competition in Mediterranean trade lanes.

Australasian Market

Fourth quarter operating income improved by \$1 million to \$7 million compared to the same period in 2000 from reduced costs but was \$2 million lower than the third quarter with freight rates down 4% due to increased competition in all trade lanes.

Operating income for 2001 improved by \$6 million to \$29 million with lower operating costs offsetting weaker volume, which was down 2% due to continuing slower imports into Australasia. Average freight rates for the year were stable.

Latin American Market

Operating income in the fourth quarter increased \$1 million to \$7 million compared with the same period in 2000. Lower operating costs due to the continuing restructuring of services and replacement of chartered ships with owned ships offset lower volume and significant freight rate declines. Weaker imports into Latin America and 5% lower average freight rates led to a decline of \$3 million in operating income compared to the third quarter.

Operating income increased more than 50% to \$28 million in 2001 due mainly to increased freight rates, which were up 6%. Volume increased 4% on a comparable basis, due to strong exports from Brazil and the commencement of the new service from the Mediterranean to East Coast South America in March.

Asian Market

In the fourth quarter, continuing losses in the Asia-Europe services, which started in 2001, led to an overall operating loss of \$13 million compared with a profit of \$4 million in the same quarter 2000. Average freight rates declined 6% from the third quarter with more stable freight rates in the India services partly mitigating sharper declines in the Asia-Europe services.

The operating loss of \$13 million in 2001 compares with a \$20 million profit in 2000. Although volume increased more than 50%, operating costs were significantly higher due to the start of the new Asia-Europe services where competition from excess trade lane capacity affected freight rates significantly.

Other Trades

Fourth quarter operating income was down \$1 million from the same period in 2000 to \$5 million. Operating income increased \$2 million to \$16 million in 2001 with improved results in the North America-South Africa trade lane and breakbulk services, and higher profits from chartering out surplus ships, while income from terminal operations in Montreal was lower due to weaker volume.

Other Income Statement Items

Income tax expense was unchanged in 2001 but \$2 million higher in the fourth quarter compared with the same period in 2000 due to prior year items. Net interest expense was \$4 million up in the fourth quarter compared to the fourth quarter 2000 from increased borrowing.

The previously announced exceptional charge relating to the spin-off from Canadian Pacific and organisation rationalisation has been revised downward by \$1 million to \$36 million.

Liquidity and Capital Resources

Cash from operations before exceptional charges for the fourth quarter at \$44 million was down from \$56 million in the same period 2000 due to reduced profits. Cash from operations before exceptional charges for the year at \$188 million was \$14 million higher than 2000 due to improved non-cash working capital movements and higher depreciation charges.

Expenditure on capital assets in the fourth quarter was \$47 million including \$15 million on stage payments under ship building contracts. For 2001 expenditure on capital assets was \$289 million including \$192 million for ships

Long term debt of \$234 million at 31st December 2001 remained largely unchanged from 30th September but was up \$202 million on the prior year, due mainly to investment in ships and the repayment of short term debt to former affiliates. Net debt at 31st December 2001 was \$118 million.

CP Ships has \$425 million of borrowing facilities in place, of which \$160 million was drawn at 31st December 2001.

Dividend

CP Ships' Board of Directors has declared a dividend for the fourth quarter 2001 of 4 cents per common share, payable on 22nd February 2002 to shareholders of record on 7th February 2002.

Annual Report

CP Ships expects to release its 2001 Annual Report in March 2002.

QUARTERLY RESULTS 2001 and 2000

Unaudited

US\$ millions except volume

	Q4 2001	Q3 2001	Q2 2001	Q1 2001	Q4 2000	Q3 2000	Q2 2000	Q1 2000
Volume (000's TEU)								
TransAtlantic	233	227	245	237	251	258	272	252
Australasia	90	89	89	80	96	91	85	84
Latin America	39	41	41	41	42	43	45	47
Asia	94	96	79	62	65	60	50	41
Other	12	16	14	17	13	12	12	14
Total Volume	468	469	468	437	467	464	464	438
Revenue								
TransAtlantic	334	315	339	335	347	356	364	339
Australasia	140	136	142	131	152	149	139	134
Latin America	59	62	63	60	62	63	58	59
Asia	115	124	108	88	100	95	78	64
Other	21	26	23	25	25	22	19	20
Total Revenue	669	663	675	639	686	685	658	616
Expenses								
TransAtlantic	305	301	321	317	322	334	335	326
Australasia	133	127	132	128	146	142	133	130
Latin America	52	52	56	56	56	56	55	57
Asia	128	126	107	87	96	89	72	60
Other	16	23	20	20	19	18	18	17
Total Expenses	634	629	636	608	639	639	613	590
Operating Income								
TransAtlantic	29	14	18	18	25	22	29	13
Australasia	7	9	10	3	6	7	6	4
Latin America	7	10	7	4	6	7	3	2
Asia	(13)	(2)	1	1	4	6	6	4
Other	5	3	3	5	6	4	1	3
Total Operating Income before Exceptional Charges	35	34	39	31	47	46	45	26
Analysis of Expenses								
Container shipping operations	524	519	524	501	514	529	506	488
General and administrative	87	91	92	93	103	94	94	90
Depreciation and amortisation	23	19	16	16	22	13	12	13
Other	0	0	4	(2)	0	3	1	(1)
Total Expenses	634	629	636	608	639	639	613	590

OPERATING DATA*Unaudited*

EBITDA¹ <i>US\$ millions</i>	Q4 2001	Q3 2001	Q2 2001	Q1 2001	Q4 2000	Q3 2000	Q2 2000	Q1 2000
	58	53	55	47	69	59	57	39

FREIGHT RATES <i>Percentage change²</i>	Q4 2001	Q3 2001	Q2 2001	Q1 2001	Q4 2000	Q3 2000	Q2 2000	Q1 2000
TransAtlantic	(3)	(2)	(3)	4	4	2	3	1
Australasia	(4)	(2)	(2)	6	(2)	(1)	2	4
Latin America	(5)	(1)	(2)	2	1	11	5	8
Asia	(6)	(8)						
Total	(4)	(1)	(1)	1	2	3	3	1

SHIPS

Number of ships employed at 31st December 2001	78
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CONTAINERS

Fleet in teu at 31st December 2001	345,000
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¹ Earnings before interest, taxes, depreciation, amortisation and exceptional charges

² Percentage increase (decrease) compared with previous quarter in average freight rates which exclude inland revenue. Asia is excluded prior to Q3 due to the substantial change in the mix of trade lanes during the period. Total is all trade lanes.

CONSOLIDATED INCOME STATEMENT*Unaudited**US\$ millions except per share amounts*

	Three months to 31st December		Twelve months to 31st December	
	2001	2000	2001	2000
Revenues	669	686	2,646	2,645
Expenses				
Container shipping operations	524	514	2,068	2,037
General and administrative	87	103	363	381
Depreciation and amortisation	23	22	74	60
Currency exchange loss	-	-	2	5
Gain on disposal of capital assets	-	-	-	(2)
	634	639	2,507	2,481
Operating Income before Exceptional Charges	35	47	139	164
Spin-off related items (note 3)	-	-	(17)	-
Unusual charges (note 3)	1	-	(19)	-
Operating Income	36	47	103	164
Net interest (expense)/income	(3)	1	-	1
Income tax expense	(4)	(2)	(12)	(12)
Minority interest	-	-	1	-
Goodwill charges, net of tax	(4)	(4)	(16)	(18)
Net Income	25	42	76	135
Dividends on preference shares	-	(2)	(3)	(2)
Net Income available to common shareholders	25	40	73	133
Number of common shares outstanding (millions) (note 4)	79.8	79.4	79.5	79.4
Earnings per common share basic (note 4)	\$ 0.31	\$ 0.50	\$ 0.92	\$ 1.68
Earnings per common share diluted (note 4)	\$ 0.31	\$ 0.50	\$ 0.91	\$ 1.66

CONSOLIDATED RETAINED EARNINGS STATEMENT*Unaudited**US\$ millions*

	Three months to 31st December		Twelve months to 31st December	
	2001	2000	2001	2000
Balance, beginning of period as previously reported	372	403	443	310
Merger adjustment (note 1)	-	-	(119)	-
Net Income	25	40	73	133
	397	443	397	443
Dividend on common shares	(3)	-	(3)	-
Balance, 31st December	394	443	394	443

CONSOLIDATED CASH FLOW STATEMENT*Unaudited
US\$ millions*

	Three months to 31st December		Twelve months to 31st December	
	2001	2000	2001	2000
Operating Activities				
Net income for period	25	42	76	135
Depreciation and amortisation	27	26	90	78
Future income tax expense	-	3	-	3
Restructuring and spin-off charge	(1)	-	36	-
Gain on disposal of capital assets	-	-	-	(2)
Other	(2)	(2)	1	(3)
	49	69	203	211
Increase in non-cash working capital	(5)	(13)	(15)	(37)
Cash from operations before restructuring and spin-off payments	44	56	188	174
Restructuring and spin-off payments	(16)	-	(18)	-
Cash from operations	28	56	170	174
Financing Activities				
Return of share capital	-	-	(14)	-
Issue of preference shares	-	116	-	116
Redemption of preference shares	-	-	(116)	-
Increase in long-term debt	2	-	165	2
Repayment of long-term debt	(5)	(4)	(14)	(14)
Increase in loans from former affiliates	-	11	88	38
Repayment of loans from former affiliates	-	-	(138)	(37)
Contributed surplus	-	117	2	203
Preference dividend paid	-	(2)	(3)	(2)
	(3)	238	(30)	306
Investing Activities				
Additions to capital assets	(47)	(227)	(289)	(307)
Deposits on used ships to be purchased	-	11	-	(5)
Acquisitions of businesses	-	(4)	-	(61)
Proceeds from disposals of capital assets	8	61	15	70
Proceeds from disposal of investments	12	-	12	-
Increase in loans to former affiliates	-	(116)	-	(116)
Repayment of loan to former affiliate	-	-	116	-
	(27)	(275)	(146)	(419)
Cash Position*				
Increase/(decrease) in cash and cash equivalents	(2)	19	(6)	61
Cash at beginning of period	118	103	122	61
Cash at end of period	116	122	116	122

* Cash and cash equivalents comprises cash and temporary investments

CONSOLIDATED BALANCE SHEET*Unaudited*
*US\$ millions*31st December
200131st December
2000**ASSETS**

Current assets

Cash and cash equivalents
Accounts receivable
Prepaid expenses
Loan to former affiliate due within one year
Inventory

116
366
38
-
12

122
392
32
116
14

532
676

Capital assets, at cost

1,056
744

Less accumulated depreciation and amortisation

(261)
(208)

795
536

Deferred charges

14
-

Deposits for used ship purchases

-
5

Goodwill

510
531

1,851
1,748

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities

Accounts payable and accrued liabilities
Due to former affiliated companies
Loans from former affiliates due within one year
Long-term debt due within one year

501
-
-
15

497
15
86
11

516
609

Long-term debt

219
21

Future income taxes

8
10

Minority interests

8
9

235
40

Shareholders' equity

Common share capital
Preference share capital
Contributed surplus
Retained earnings
Cumulative foreign currency adjustments

716
-
-
394
(10)

63
116
485
443
(8)

1,100
1,099

1,851
1,748

SEGMENTED INFORMATION*Unaudited**US\$ millions except volume*

	Three months to 31st December		Twelve months to 31st December	
	2001	2000	2001	2000
Volume (000's TEU)				
TransAtlantic	233	251	942	1,034
Australasia	90	96	348	357
Latin America	39	42	162	177
Asia	94	65	331	215
Other	12	13	59	50
Total Volume	468	467	1,842	1,833
Revenue				
TransAtlantic	334	347	1,323	1,406
Australasia	140	152	549	574
Latin America	59	62	244	242
Asia	115	100	435	337
Other	21	25	95	86
Total Revenue	669	686	2,646	2,645
Expenses				
TransAtlantic	305	322	1,244	1,317
Australasia	133	146	520	551
Latin America	52	56	216	224
Asia	128	96	448	317
Other	16	19	79	72
Total Expenses	634	639	2,507	2,481
Operating Income				
TransAtlantic	29	25	79	89
Australasia	7	6	29	23
Latin America	7	6	28	18
Asia	(13)	4	(13)	20
Other	5	6	16	14
Operating Income before Exceptional Charges	35	47	139	164

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Unaudited

US\$ millions

1. REORGANISATION

Prior to 1st October 2001 CP Ships Holdings Inc ("CPSHI") was the wholly owned holding company of Canadian Pacific Limited's ("CPL") container shipping interests. On 1st October 2001 as part of a Plan of Arrangement, CPL distributed its interests in CPSHI to a newly created subsidiary company, CP Ships Limited ("CP Ships"). CPL then distributed its investment in CP Ships to its common shareholders. As both CPSHI and CP Ships were under the control of CPL at the time, the transactions have been accounted for in a manner similar to a pooling-of-interests and the historical financial information of CPSHI becomes the historical financial information of the now publicly held CP Ships.

On 1st October 2001 the issued and outstanding common shares of CP Ships were consolidated on a one new common share for four old CPL common shares. All share numbers reflect the effect of the share consolidation applied retroactively.

Prior to the reorganisation, CP Ships paid a return of capital to CPL of \$ 14 million and issued shares to CPL valued at \$181 million as consideration for the transfer of shipping related affiliates and other assets from CPL to CP Ships.

As a result of the merger of shipping related affiliates of CPL with CP Ships as part of the CPL corporate reorganisation there was a merger adjustment to reduce retained earnings by \$119 million.

2. ACCOUNTING POLICIES

These consolidated financial statements have been prepared using accounting policies that are consistent with the policies used in preparing 2000 annual consolidated financial statements and should be read in conjunction with the annual financial statements contained in the CPL Arrangement Circular dated 3rd August 2001.

3. EXCEPTIONAL CHARGES

Exceptional charges incurred in the year ended 31st December 2001:

- a) Spin-off related items of \$17 million for professional fees and other expenses associated with the company's demerger from CPL including \$10 million for the cost of converting a cash based long term incentive compensation plan into restricted stock awards.
- b) Unusual charges of \$19 million for the restructuring of organisation and offices mainly in Europe and North America.

4. EARNINGS PER SHARE

In calculating diluted earnings per share, the numerator remains unchanged from the basic earnings per share calculation as the assumed exercise of CP Ships stock options does not result in an adjustment to income under the treasury stock method. The reconciliation of the denominator used in calculating diluted earnings per share is as follows:

	Three months to 31st December		Twelve months to 31st December	
	2001	2000	2001	2000
Weighted average number of common shares outstanding				
- basic earnings per share	79.8	79.4	79.5	79.4
Effect of diluted securities - stock options	0.7	0.7	0.6	0.6
Weighted average number of common shares outstanding				
- diluted earnings per share	80.5	80.1	80.1	80.0

The dilutive effect of outstanding stock options in the periods ended 31st December 2000 has been calculated as if the stock options existing at 31st December 2001 had been in place.

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About CP Ships: One of the world's top ten container shipping companies, CP Ships provides international transportation services in four key regional markets: TransAtlantic, Australasia, Latin America and Asia. Within these markets CP Ships operates in 24 trade lanes, most of which are served by two or more of its six readily recognised brand names: ANZDL, Canada Maritime, Cast, Contship Containerlines, Lykes Lines and TMM Lines. Their combined fleet of nearly 80 ships carries nearly 2 million teu per year. Within the majority of its core trade lanes, CP Ships is the number one carrier. More than 80% of its activity is North American exports or imports. Since 1996 its revenue has grown at a compound annual rate of 28%. CP Ships is traded on the Toronto Stock Exchange and the New York Stock Exchange under the symbol TEU. For further information, visit the CP Ships website (www.cpships.com).

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Note: This quarterly report includes forward-looking statements about the operations, objectives and expected financial results of CP Ships and its affiliates. Such statements are inherently subject to uncertainties arising from a variety of factors including, without limitation, legislative or regulatory changes, competition, technological developments and global economic and financial conditions. Actual performance could differ substantially.